



General Assembly

January Session, 2013

Raised Bill No. 6575

LCO No. 4055



Referred to Committee on FINANCE, REVENUE AND
BONDING

Introduced by:
(FIN)

AN ACT CONCERNING CERTAIN STATE GRANTS TO TOWNS.

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Subsection (a) of section 12-20a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2013, and applicable to assessment years commencing on and after October*
4 *1, 2013*):

5 (a) On or before January first, annually, the Secretary of the Office of
6 Policy and Management shall determine the amount due to each
7 municipality in the state, in accordance with this section, as a state
8 grant in lieu of taxes with respect to real property owned by any
9 private nonprofit institution of higher learning or any nonprofit
10 general hospital facility or free standing chronic disease hospital or an
11 urgent care facility that operates for at least twelve hours a day and
12 that had been the location of a nonprofit general hospital for at least a
13 portion of calendar year 1996 to receive payments in lieu of taxes for
14 such property, exclusive of any such facility operated by the federal
15 government, except a campus of the United States Department of

16 Veterans Affairs Connecticut Healthcare Systems, or the state of
17 Connecticut or any subdivision thereof, except The University of
18 Connecticut Health Center, provided that portion of John Dempsey
19 Hospital that is used as a permanent medical ward for prisoners under
20 the custody of the Department of Correction shall remain subject to the
21 provisions of section 12-19a. As used in this section "private nonprofit
22 institution of higher learning" means any such institution, as defined in
23 subsection (a) of section 10a-34, or any independent college or
24 university, as defined in section 10a-37, that is engaged primarily in
25 education beyond the high school level, and offers courses of
26 instruction for which college or university-level credit may be given or
27 may be received by transfer, the property of which is exempt from
28 property tax under any of the subdivisions of section 12-81; "nonprofit
29 general hospital facility" means any such facility which is used
30 primarily for the purpose of general medical care and treatment,
31 exclusive of any hospital facility used primarily for the care and
32 treatment of special types of disease or physical or mental conditions;
33 and "free standing chronic disease hospital" means a facility which
34 provides for the care and treatment of chronic diseases, excluding any
35 such facility having an ownership affiliation with and operated in the
36 same location as a chronic and convalescent nursing home.

37 Sec. 2. Subsection (c) of section 22a-478 of the general statutes is
38 repealed and the following is substituted in lieu thereof (*Effective July*
39 *1, 2013*):

40 (c) The funding of an eligible water quality project shall be pursuant
41 to a project funding agreement between the state, acting by and
42 through the commissioner, and the municipality undertaking such
43 project and shall be evidenced by a project fund obligation or grant
44 account loan obligation, or both, or an interim funding obligation of
45 such municipality issued in accordance with section 22a-479. A project
46 funding agreement shall be in a form prescribed by the commissioner.
47 Eligible water quality projects shall be funded as follows:

48 (1) A nonpoint source pollution abatement project shall receive a
49 project grant of seventy-five per cent of the cost of the project
50 determined to be eligible by the commissioner.

51 (2) A combined sewer project shall receive (A) a project grant of fifty
52 per cent of the cost of the project, and (B) a loan for the remainder of
53 the costs of the project, not exceeding one hundred per cent of the
54 eligible water quality project costs.

55 (3) A construction contract eligible for financing awarded by a
56 municipality on or after July 1, 2012, as a project undertaken for
57 nutrient removal shall receive a project grant of [thirty] fifty per cent of
58 the cost of the project associated with nutrient removal, a twenty per
59 cent grant for the balance of the cost of the project not related to
60 nutrient removal, and a loan for the remainder of the costs of the
61 project, not exceeding one hundred per cent of the eligible water
62 quality project costs. Nutrient removal projects under design or
63 construction on July 1, 2012, and projects that have been constructed
64 but have not received permanent, Clean Water Fund financing, on July
65 1, 2012, shall be eligible to receive a project grant of [thirty] fifty per
66 cent of the cost of the project associated with nutrient removal, a
67 twenty per cent grant for the balance of the cost of the project not
68 related to nutrient removal, and a loan for the remainder of the costs of
69 the project, not exceeding one hundred per cent of the eligible water
70 quality project costs.

71 (4) If supplemental federal grant funds are available for Clean Water
72 Fund projects specifically related to the clean-up of Long Island Sound
73 that are funded on or after July 1, 2012, a distressed municipality, as
74 defined in section 32-9p, may receive a combination of state and
75 federal grants in an amount not to exceed fifty per cent of the cost of
76 the project associated with nutrient removal, a twenty per cent grant
77 for the balance of the cost of the project not related to nutrient removal,
78 and a loan for the remainder of the costs of the project, not exceeding
79 one hundred per cent of the allowable water quality project costs.

80 (5) A municipality with a water pollution control project, the
81 construction of which began on or after July 1, 2003, which has (A) a
82 population of five thousand or less, or (B) a population of greater than
83 five thousand which has a discrete area containing a population of less
84 than five thousand that is not contiguous with the existing sewerage
85 system, shall be eligible to receive a grant in the amount of twenty-five
86 per cent of the design and construction phase of eligible project costs,
87 and a loan for the remainder of the costs of the project, not exceeding
88 one hundred per cent of the eligible water quality project costs.

89 (6) Any other eligible water quality project shall receive (A) a project
90 grant of twenty per cent of the eligible cost, and (B) a loan for the
91 remainder of the costs of the project, not exceeding one hundred per
92 cent of the eligible project cost.

93 (7) Project agreements to fund eligible project costs with grants from
94 the Clean Water Fund that were executed during or after the fiscal year
95 beginning July 1, 2003, shall not be reduced according to the provisions
96 of the regulations adopted under section 22a-482.

97 (8) On or after July 1, 2002, an eligible water quality project that
98 exclusively addresses sewer collection and conveyance system
99 improvements may receive a loan for one hundred per cent of the
100 eligible costs provided such project does not receive a project grant.
101 Any such sewer collection and conveyance system improvement
102 project shall be rated, ranked, and funded separately from other water
103 pollution control projects and shall be considered only if it is highly
104 consistent with the state's conservation and development plan, or is
105 primarily needed as the most cost effective solution to an existing area-
106 wide pollution problem and incorporates minimal capacity for growth.

107 (9) All loans made in accordance with the provisions of this section
108 for an eligible water quality project shall bear an interest rate of two
109 per cent per annum. The commissioner may allow any project fund
110 obligation, grant account loan obligation or interim funding obligation

111 for an eligible water quality project to be repaid by a borrowing
112 municipality prior to maturity without penalty.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2013, and applicable to assessment years commencing on and after October 1, 2013</i>	12-20a(a)
Sec. 2	<i>July 1, 2013</i>	22a-478(c)

Statement of Purpose:

To assist municipalities by providing higher grants in lieu of property taxes for The University of Connecticut Health Center and by providing a higher rate of reimbursement to municipalities for phosphorous removal projects.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]